

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF MILLSTONE WATER, INC.) CASE NO.
TO PURCHASE HAYMOND WATER COMPANY) 10310

O R D E R

On July 6, 1988, Millstone Water, Inc. ("Millstone"), filed an application for approval to purchase a water distribution system located in Haymond, Kentucky, and operating under the name of the Haymond Water Company. On August 9, 1988, the Commission ordered Millstone to provide additional information about the proposed purchase and Millstone's existing operations. This information was filed with the Commission on September 6, 1988. In arriving at its decision, the Commission has also reviewed the record of Case No. 10273, The Transfer of Ownership of Millstone Water, Inc. The record of that case is hereby incorporated into the record of this case.

After consideration of the evidence of record and being advised, the Commission is of the opinion and finds that Millstone has the financial, technical, and managerial abilities to provide reasonable service. Millstone currently employs personnel who will enable it to adequately operate and maintain the water distribution system known as the Haymond Water Company.

IT IS THEREFORE ORDERED that:

1. The purchase of the water distribution system known as the Haymond Water Company by Millstone be and it hereby is approved.

2. The current owners of the Haymond Water Company, Fred Spears and Sandy Spears, shall have the responsibility of filing with the Commission an Annual Report for that portion of 1988 during which they operated the water distribution system.

3. Millstone shall have the responsibility of filing with the Commission an Annual Report for that portion of 1988 during which it operates the water distribution system.

4. Millstone shall maintain records for the water distribution system in accordance with the Uniform System of Accounts. These records shall be maintained separately from those kept for any other water distribution system owned or operated by Millstone.

5. Millstone shall record the purchase of the water distribution system in accordance with Uniform System of Accounts. Within 20 days of its purchase of the water distribution system, Millstone shall file with the Commission a copy of the appropriate journal entries recording its purchase and its issuance of debt to finance the purchase.

6. Within 20 days of its purchase of the water distribution system, Millstone shall file with the Commission an adoption notice adopting, ratifying, and making as its own all rates, rules, and regulations of the Haymond Water Company which are effective and on file with the Commission at the time of the purchase.

7. If the proposed purchase is not completed within 90 days of the day of this Order, Millstone shall so advise the Commission.

Done at Frankfort, Kentucky, this

7th day of October, 1988.

PUBLIC SERVICE COMMISSION

Richard D. Herman
Chairman

Robert M. Davis
Vice Chairman

Spencer N. Williams
Commissioner

ATTEST:

Executive Director